

**Amendment No. 1 to SB3138**

**McNally**  
**Signature of Sponsor**

**AMEND Senate Bill No. 3138**

**House Bill No. 3088\***

by deleting the amendatory and directory language of SECTION 20 and by substituting instead the following:

SECTION 20. Tennessee Code Annotated, Section 8-35-226(c), is amended by deleting the second sentence thereof in its entirety and by substituting instead the following:

In no event shall the benefit payable on such service exceed that provided under § 8-36-209(a)(1)(A), §8-36-209(a)(1)(B), §8-36-209(a)(2)(A), or §8-36-209(a)(2)(B), depending upon which option is exercised by the chief legislative body.

AND FURTHER AMEND by deleting the amendatory and directory language of SECTION 30 and by substituting instead the following:

SECTION 30. Tennessee Code Annotated, Section 8-36-209(a), is amended by adding the following new subdivision (2) and by redesignating the current subdivisions accordingly:

(2) Notwithstanding any other law to the contrary and commencing on July 1, 2010, the chief legislative body of any city, special school district or county may set the minimum service retirement allowance payable with respect to creditable service established pursuant to § 8-35-226 as follows:

(A) Fourteen (\$14.00) per month for each year of such creditable service adjusted effective July 1, 2011 and on each July 1 thereafter pursuant to the cost-of-living provisions in § 8-36-701(b)(1) and (2); or

(B) Twenty (\$20.00) per month for each year of such creditable service adjusted effective July 1, 2011 and on each July 1 thereafter pursuant to the cost-of-living provisions in § 8-36-701(b)(1) and (2).

To set the minimum service retirement allowance under either subdivision (2)(A) or (2)(B) of this subsection, the chief legislative body of the respective city, special school district or county must pass a resolution authorizing the provisions of either subdivision (2)(A) or (2)(B) of this subsection and accepting the liability therefore. Any such resolution shall apply to current and future retirees and shall become effective on the first day of any quarter following the filing of the resolution with the retirement system. No retroactive benefits shall be paid under the provisions of this subdivision (a)(2). For cities, special school districts and counties that do not elect the provisions of either subdivision (a)(2)(A) or (a)(2)(B), the minimum benefit for service established pursuant to § 8-35-226 shall be determined pursuant to subdivision (a)(1)(A) or (a)(1)(B) of this section, depending upon which option is exercised by the respective city, school district or county.